

Paul Votes to Preserve the Child Tax Credit

Washington, DC: Congressman Ron Paul today voted to maintain the \$1,000 child tax credit permanently, joining more than 270 of his congressional colleagues in making sure that families with children do not suffer a tax increase. Because of procedural rules in the 2002 tax cut passed by Congress, the child credit otherwise would have decreased to \$700 per child next year before being completely eliminated in 2010.

The legislation passed today will prevent an average tax hike of \$610 on 30 million taxpayers with 49 million children. Middle- and low-income families are protected from tax hikes by the House bill. Under current law, the child credit is refundable up to 10 percent of earned income in excess of \$10,750. The plan raises the 10 percent rate to 15 percent this year - a year earlier than scheduled under current law. Military families also will benefit, as they will now be allowed to include combat pay when calculating the refundable child credit.

The overwhelming majority of families who benefit from the child tax credit are not wealthy by any stretch. Nearly 80% earn less than \$75,000, even though most are dual-income couples working full time.